

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SJR 18**

March 23, 2011

**SUMMARY OF AMENDMENT (001929, 003871, 005291):** Proposes amending Article II, Section 28 of the Tennessee Constitution to prohibit the Legislature from levying a tax on personal income, payroll, or a tax measured by personal income or payroll. Retains the authority of the Legislature to levy a tax on incomes derived from stocks and bonds that are not taxed ad valorem. Resolves that beginning July 1, 2015, the combined rate of state and local sales and use tax in each taxing jurisdiction in the state shall not exceed the rate of taxation in each taxing jurisdiction in effect on November 4, 2014. Proposes amending Article XI, Section 9 of the Tennessee Constitution to prohibit the General Assembly from authorizing any county, municipality or other political subdivision to levy a tax on incomes, payrolls, estates, inheritances or any tax not authorized by Article II, Section 28 or 29 of the Tennessee Constitution. Resolves that the proposed amendments be referred to the 108<sup>th</sup> General Assembly and that this resolution be published by the Secretary of State in accordance with Article XI, Section 3, of the Tennessee Constitution and also be published by posting on the official websites of the Secretary of State and the General Assembly.

**FISCAL IMPACT OF ORIGINAL BILL:**

NOT SIGNIFICANT

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Expenditures - \$18,000/One-Time**

Assumptions applied to amendment:

- A one-time cost of \$18,000 for the Secretary of State to print notice of the proposed amendment in statutorily designated newspapers as required by this resolution.
- According to the Secretary of State, the statewide average cost to publish the last three constitutional amendments was \$17,700.
- Because Article XI, Section 3 of the Constitution requires publication of the resolution before the next legislative election, this publication would occur in the spring of 2012.

- Posting this resolution on the official websites of the Secretary of State and the General Assembly will not result in a significant increase in state expenditures.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rct